
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION
MINUTES OF MEETING
October 17, 2007

A meeting of the Board of Administration was held on Wednesday, October 17, 2007, Radisson Hotel & Conference Center, Fresno California.

The meeting was called to order at 9:00 a.m. by President Rob Feckner.

The Secretary called the roll and the following Board members were present:

Rob Feckner, President
Terry McGuire representing John Chiang
George Diehr
Debbie Endsley representing David Gilb
Steve Coony representing Bill Lockyer
Priya Mathur
Tony Oliveira
Michael Quevedo
Kurato Shimada
Maeley Tom
Charles Valdes

Excused: Robert Carlson
Marjorie Berte

AGENDA ITEM 3 – APPROVAL OF MEETING MINUTES

ON MOTION by Mr. Valdes, **SECONDED** and **CARRIED**, the Board approved the minutes of the September meeting.

AGENDA ITEM 4 – CHIEF INVESTMENT OFFICER REPORT

Russell Read, Chief Investment Officer, presented this report.

A significant rebound to global financial markets has occurred. US stocks have advanced over 7 percent while international stocks posted nearly double digit gains. As of October 12, the PERF asset level stands at \$259.1 billion, \$12.8 billion more than last month's meeting. The PERF has increased in value by 4.6 percent or \$11.3 billion.

AGENDA ITEM 5 – INVESTMENT COMMITTEE

Charles Valdes, Chair, Investment Committee, presented the Committee Summary report to the Board. The Committee met on Monday, October 15, 2007.

Additional information may be found in the October 15, 2007 agenda materials and/or transcripts of the Committee meeting.

The Board accepted the Committee Summary report (attached).

The next Committee meeting is scheduled for November 13, 2007 in Sacramento California.

AGENDA ITEM 6 – BENEFITS AND PROGRAM ADMINISTRATION COMMITTEE

Kurato Shimada, Chair, Benefits and Program Administration Committee, presented the Committee Summary report to the Board. The Committee met on Tuesday, October 16, 2007.

Additional information may be found in the October 16, 2007 agenda materials and/or transcripts of the Committee meeting.

The next meeting of the Committee is scheduled for November 14, 2007 in Sacramento California.

AGENDA ITEM 7 – HEALTH BENEFITS COMMITTEE

George Diehr, Chair, Health Benefits Committee, presented the Committee Summary report to the Board. The Committee met on Tuesday, October 16, 2007

Additional information may be found in the October 16, 2007 agenda materials and/or transcripts of the Committee meeting.

The next meeting of the Committee is scheduled for November 14, 2007 in Sacramento California.

AGENDA ITEM 8 – FINANCE COMMITTEE; AGENDA ITEM 9 – PERFORMANCE AND COMPENSATION COMMITTEE; and AGENDA ITEM 10 – AD HOC BOARD ELECTIONS COMMITTEE

There was no meetings held this month.

AGENDA ITEM 11– BOARD MEETING CALENDAR

Fred Buenrostro reported the Women's Conference was added to the 2008 Board Calendar. Mr. Feckner asked to update the location of the January Board Offsite to Petaluma.

AGENDA ITEM 12– CHIEF EXECUTIVE OFFICER'S REPORT

Fred Buenrostro thanked the City of Fresno for hosting the October Board meetings and commented that CalPERS has begun to focus on investing in the central valley. Recognized two Fresno Regional Office staff members: Wendy Cabrerra and Martha Wagner.

Mr. Feckner also thanked the City of Fresno for their hospitality and Board Member Tony Oliveira who was instrumental in bringing the October Board meetings to Fresno.

AGENDA ITEM 13 – BOARD’S STATE LEGISLATIVE PROGRAM/BOARD’S POSITION ON STATE LEGISLATION

Wendy Notsinneh, Chief, Governmental Affairs, reported the Governor has announced his Healthcare Reform Plan. The Governor and Legislature have not come to an agreement with the Plan. CalPERS had a successful legislative session. All four of CalPERS measures passed by the Legislature were signed by the Governor and will become effective January 2008. Mr. Diehr asked for clarification of AB 221. Mr. Read responded to his questions.

AGENDA ITEM 14 – BOARD’S FEDERAL LEGISLATIVE PROGRAM/BOARD’S POSITION ON FEDERAL LEGISLATION

Tom Lussier, CalPERS Federal Legislative Liaison, provided an update on the following issues:

- Proxy access
- SCHIP legislation
- Roth 457 Plan legislation
- Public Sector Healthcare Roundtable

AGENDA ITEM 15 – CLOSED SESSION: POTENTIAL LITIGATION – JRS DEATH BENEFIT

AGENDA ITEM 16 – PROPOSED DECISIONS OF ADMINISTRATIVE LAW JUDGES

ON MOTION by Mr. Diehr, **SECONDED** and **CARRIED**, the Board adopted staff’s recommendation on Items 16 A, B and C.

ON MOTION by Mr. Diehr, **SECONDED** and **CARRIED**, the Board adopted Alternative A on Item 16 D.

AGENDA ITEM 17 – PETITION FOR RECONSIDERATION

ON MOTION by Mr. Shimada, **SECONDED** and **CARRIED**, the Board adopted staff’s recommendation.

AGENDA ITEM 18 – GENERAL COUNSEL’S REPORT

Peter Mixon reported no new cases this month. The matrix has been submitted.

AGENDA ITEM 19 – BOARD TRAVEL APPROVALS

ON MOTION by Mr. Shimada, **SECONDED** and **CARRIED**, the Board approved all travel. Mr. McGuire abstained.

AGENDA ITEM 20 – DRAFT AGENDA FOR NOVEMBER 15, 2007 MEETING

The draft agenda was accepted.

AGENDA ITEM 22 – PUBLIC COMMENT

The following addressed the Board:

Dennis Yates

Dena Yates

Jordan Yates

Dan Shelton

Audrey Daniels

Ted Anderson

There being nothing further to come before the Board of Administration, the meeting adjourned at 10:55 am.